



# THE ATTORNEY GENERAL OF TEXAS

AUSTIN, TEXAS 78711

JOHN L. HILL  
ATTORNEY GENERAL

June 1, 1977

The Honorable A. R. Schwartz  
Senator of the State of Texas  
Capitol Building  
Austin, Texas

Letter Advisory No. 147

Re: Investment of sinking  
funds by a county in savings  
and loan associations under  
article 836, V.T.C.S.

Dear Senator Schwartz:

You have requested our opinion concerning whether, in light of Attorney General Opinion H-723 (1975), a county may invest its sinking funds in shares, share accounts, or savings accounts of building and loan associations pursuant to article 836, V.T.C.S.

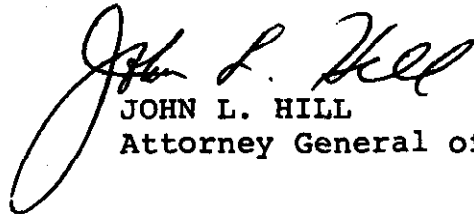
In H-723 we stated:

In our opinion, section 6.14 of article 852a, V.T.C.S., was meant - and should be construed - only to signify that after passage of the Act savings accounts in savings and loan associations would be legal investments for those fiduciaries and public bodies permitted by other law to invest in similar securities. See e.g. V.T.C.S. arts. 836 . . . .

Id. at 4. As noted by the citation thereto, article 836 expressly authorizes such investments by a county. Accordingly, in our opinion the governing body of a county may invest its sinking funds for the redemption and payment of outstanding bonds in shares, share accounts, or savings accounts of building and loan associations organized under the laws of Texas where such shares or accounts are insured under and by virtue of the Federal Savings and Loan Insurance Corporation.


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Very truly yours,



JOHN L. HILL  
Attorney General of Texas

APPROVED:



DAVID M. KENDALL, First Assistant



C. ROBERT HEATH, Chairman  
Opinion Committee

kml